

DEAL One Loan frequently asked questions

What is a DEAL One Loan?

A DEAL One Loan is a loan created by Bank of North Dakota (BND) exclusively for North Dakota residents. It allows North Dakotans who are repaying student loan debt a unique opportunity to refinance all of their student loans and combine them into one loan.

Why should I consolidate my student loans?

Consolidation allows you to combine multiple student loans from different lenders into one loan. This means one payment to one lender. You may be able to lower your interest rate or change your interest rate type from variable to fixed, or vice versa.

Depending on loan amount, you may extend the length of time to repay your loan and decrease your monthly payment. You may also choose to repay your loan with the same monthly payment you have now and pay off your loan earlier.

Is this program just for recent graduates?

No. The program is available to any North Dakota resident who has lived in the state for the past six months, regardless of when a person graduated or left school. You cannot be attending college at the time you take out a DEAL One Loan and you must be making monthly payments on your student loans.

This sounds too good to be true. What's the catch?

There is no catch. Bank of North Dakota is a state agency with the mission "To deliver quality, sound financial services that promote agriculture, commerce and industry in North Dakota." An educated workforce is essential for a strong economy in our state. The DEAL One Loan is here to help North Dakota residents by offering an affordable repayment option available only to them.

How do I apply?

Apply online. Login or create an account, then click "Apply Online" on the left side of the screen.

If you would like to submit a paper application, you may print one here.

Do I need a cosigner?

A creditworthy cosigner is required if you do not meet BND's credit criteria. Your cosigner must meet BND credit requirements. A cosigner release option is available once the borrower meets the credit requirements and has made 48 consecutive, on-time, regular payments.

How do I know if I meet the credit criteria?

Upon submitting your application, if you do not meet BND's credit criteria, you will receive notification that you need a cosigner.

Can a married couple consolidate their loans together into one DEAL One Loan?

No. Each individual must consolidate loans separately.

Is there a lending limit?

No, however additional requirements must be met for loans exceeding \$75,000.

Is there a fee to consolidate?

There is no fee to consolidate.

If I consolidated under the DEAL Consolidation Loan, can I consolidate again?

Yes, you are able to include your current DEAL Consolidation Loan in a DEAL One Loan with your other student loans.

If I choose a variable interest rate, how am I informed of rate changes?

Interest rates are reviewed quarterly and may change in January, April, July and October. Your billing statement will always list your current variable rate. You should review your statements to monitor the interest rate. Interest rates are also available on our website.

Is there a limit to the amount my variable interest rate can increase?

For the DEAL One Loan, your variable interest rate is guaranteed to not increase by more than 1% annually and the rate will never be greater than 10%. If your loan is disbursed June 7, 2014 with a variable interest rate of 1.73% APR, it cannot increase to more than 2.73% APR before June 7, 2015.

Every year after that, your DEAL One Loan cannot increase its interest rate by more than 1% during the year, up to a maximum cap of 10%.

These are two examples to explain what could happen in year two.

- If the rate on June 7, 2015 is 2.50% APR, then your interest rate cannot increase to more than 3.50% before June 7, 2016.
- If the rate on June 7, 2015 has decreased to 1.65% APR, your rate cannot increase to more than 2.65% APR before June 7, 2016.

How long is my repayment term?

Repayment terms vary depending on the amount being consolidated.

When is my first payment due?

Your first payment is due approximately 30 days after your new DEAL One Loan is completed.

Can non-BND loans be included?

Yes, all student loans may be included in the DEAL ONE Loan. Loans such as car loans or mortgage loans are not accepted.

How do I know if I should include my federal loans?

BND encourages all applicants to carefully evaluate the pros and cons of consolidating your federal loans. Before we can disburse your loan you must review and agree to a waiver outlining the federal benefits you may be forfeiting. Read [Federal Student Loan Benefits](#) so you can make an informed decision.

Should everyone get a DEAL One Loan?

No. A DEAL One Loan is not a good idea for everyone.

You should examine your personal situation closely. If you can get a better interest rate or loan terms, if you are working and do not qualify for any type of federal loan forgiveness and are able to afford your monthly payments, it may be a good decision for you.

Read *Should I consolidate?* to determine if a DEAL One Loan is a good option.



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